
2001-2002 MARIN COUNTY GRAND JURY

TITLE OF REPORT: County Governance – Do We Have It Right?

Date of Report: June 21, 2002

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COUNTY GOVERNANCE – DO WE HAVE IT RIGHT?

SUMMARY

Last summer and fall as the Grand Jury familiarized itself with the responsibilities and performance of Marin County government, several issues and questions emerged about its organization and procedures. Specifically, the role of the Board of Supervisors, in directly supervising/managing departments headed by appointed directors, struck the Grand Jury as an antiquated arrangement, given that almost all public and private organizations have a chief executive officer who is responsible for managing the organization and is held directly accountable for its performance. The present arrangement seems all the more remarkable for an organization with an annual budget of over \$300 million and over 2,000 employees. Other significant issues included: the lack of a clear statement of goals for the County as a whole; only limited opportunities for the public to influence program and project priorities; and the short-term focus of the budget process.

The Grand Jury subsequently identified several programs that exhibited major management deficiencies (Acute Psychiatric Care, Emergency Management and Operations, and Bio-Terrorism Preparedness). These problems, coupled with the concerns mentioned previously, led the Grand Jury to undertake a review of the organization and procedures of county governments in counties similar to Marin. This modest survey revealed, *inter alia*, that the boards of supervisors of these counties all grant greater authority to their chief administrative officer than is the case in Marin; most have a clear vision statement and/or goals and objectives for the county; several use a multi-year budgeting process; and many employ various strategies to engage the public in determining future directions for the county. Unfortunately, Marin is lagging behind other counties in making use of these modern organizational and procedural techniques.

Given this situation, the Grand Jury believes the Board of Supervisors should appoint a “Blue Ribbon” Committee, made up primarily of members of the public, to survey how similar counties: a) allocate responsibilities to the boards of supervisors and the county administrative officers; b) develop plans and budgets; c) assign accountability for program outcomes; and d) conduct public outreach. The “Blue Ribbon” Committee should develop a set of options in each of these areas for Board consideration, selection and implementation.

The timing for this initiative is particularly propitious since the update of the Countywide Plan is due to be completed by the fall of 2004, and the recently approved Strategic Plan for improving the performance of County government is moving into the implementation phase. In short, the Board of Supervisors has an opportunity to integrate and build on these efforts, and to identify and assess “best practices” of other counties to modernize and strengthen County governance as Marin moves into the 21st Century.

BACKGROUND

The Grand Jury's interest in County governance was stimulated by its attempts at the beginning of its deliberations last fall to obtain a clear understanding of the role of the Board of Supervisors (BOS) and the duties and responsibilities of the County Administrative Officer (CAO). According to explanations contained in official County documents (including the County's website¹), the BOS serves as both the legislative and executive body of Marin County. The CAO is responsible for a number of important functions, such as implementing Board decisions, preparing the County budget, and coordinating the administration of County government. The CAO does not, however, have supervisory authority over appointed department directors, who are selected, appointed and evaluated by the BOS. This division of responsibilities raised questions about who should be held accountable for program implementation, particularly in cases where programs are clearly not meeting their intended goals and objectives.

An examination of the County's budget process reinforced the Grand Jury's concerns about assignment of responsibility and assumption of authority among the BOS, the CAO, and the departments. Marin County government does not have a clear mission statement for the County or a description of program priorities to guide the budget process. Moreover, there is no multi-year planning/budgeting framework to provide a context for the current budget, nor are any economic projections or assumptions spelled out in the budget documents. The result is a process that focuses almost entirely on the short run with no sense of medium- or long-term policy goals and objectives, or program priorities to achieve those goals and objectives. This approach also makes meaningful public participation in shaping the budget and influencing program priorities more difficult.

METHODOLOGY

Published information on the Marin County government structure and budget process was examined and supplemented by extensive interviews with County officials and informed members of the community. Governance practices of several counties² with characteristics similar to Marin were also reviewed, drawing on background information available through their web sites. Publications reviewed included vision statements, goals and objective statements, budgets, surveys, and county codes. In addition, senior county officials in Santa Cruz, Solano, and Nevada counties were interviewed as well as staff from the California State Association of Counties and the Institute of Local Government at the University of California / Berkeley.

¹ www.co.marin.ca.us

² Merced, San Luis Obispo, Placer, Santa Cruz, Tulare, Solano, Santa Barbara, and Monterey.

Interviews in Marin County

County government

Board of Supervisors
County Administrator's Office
Auditor/Controller Department
Community Development Agency
Public Works Department
Treasurer/Tax Collector/Registrar of Voters

Other Organizations

League of Women Voters
Marin Community Foundation

Publications: Marin County Government

Proposed Budget – 2001-2002

Boards and Commissions Recommendations -- Annual (included in Proposed Budget)

Final Budget – 2001-2002

Strategic Plan (Fall 2001)

Marin Profile 2001 -- A Survey of Economic, Social, and Environmental Indicators

Your County Marin -- A Citizen's Guide to Your County Government

Countywide Plan – 1994

Interim Guiding Principles -- Undated memo for 2004 Countywide Plan Update

Publications: Other

California Constitution Revision Commission Report – June, 1996

Commission on Local Governance for the 21st Century – January, 2000

DISCUSSION

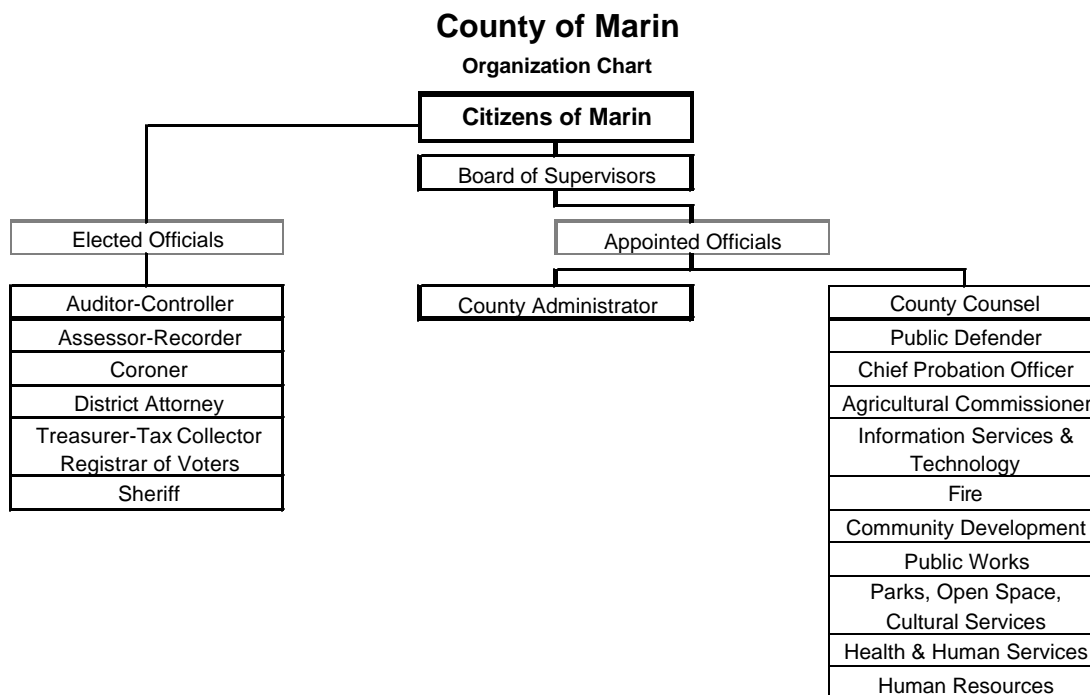
Shortly after the Grand Jury began its inquiries into various County government programs and projects, several questions emerged about the efficiency and effectiveness of the County's performance in selected areas.³ These concerns led to a

³ See Acute Psychiatric Care, Emergency Management and Operations, and Bio-terrorism Preparedness sections in the June, 2002 Grand Jury Report.

more general examination of how effectively the County government is organized to employ modern management techniques and procedures to carry out its responsibilities.

Under the California constitution and laws, the boards of supervisors in general law counties, including Marin, serve as both the legislative and executive body. Marin County, in contrast to other general law counties of similar size and characteristics, has not delegated its supervisory authority over departments headed by appointed directors to a chief executive (usually referred to as the County Administrative Officer (CAO) or, more rarely, a County Executive Officer). The Supervisors must therefore allocate a significant portion of their time to executive duties, potentially at the expense of their legislative responsibilities.

Since the Marin CAO is not responsible for supervising the departments with appointed heads, he/she is not held accountable for program performance, whether favorable or unfavorable. He/she is, however, the key official responsible for preparing the County budget and, after it is approved by the BOS, for monitoring its implementation; he/she should, therefore, have the most comprehensive grasp of how County government is performing.



It also should be noted that, in addition to the BOS members' regular and extensive time commitments to internal County responsibilities, the individual board members also, and quite appropriately, serve on numerous inter-county, regional and statewide committees, commissions, boards of directors, etc., all of which directly affect Marin

County affairs. The number of these boards on which individual supervisors sit varies from 17 to 34.

This report reviews how County government is meeting its fundamental obligations to plan and budget, to design and implement programs and projects, and to reach out to and engage the citizens/taxpayers in governing Marin County. Each of these responsibilities is discussed in turn.

Planning and Budgeting

Currently, Marin has two planning documents that have been prepared by the County government: The Countywide Plan (1994) and the Strategic Plan (2001).

Countywide Plan

As State law requires, Marin County has a General Plan⁴ (referred to as the Countywide Plan) that is reviewed and updated about every ten years. The next update is scheduled to be completed in the fall of 2004. While the Community Development Agency is responsible for the revision, the BOS provides overall supervision of this process, which includes participation by selected community members. The current plan deals mostly with land use issues, and is voluminous and unwieldy. In discussions in the late 1990s, the BOS developed the following draft Statement of Goals to provide guidance for revising the plan:

“To promote a sustainable future for Marin County, benefiting present and future generations by encouraging balanced communities where residents have opportunities to enjoy a high quality of life -- employment, affordable housing, adequate and diverse transportation services; cultural, recreational, safety and health services; and, a beautiful and clean environment.”

The 10 Interim Guiding Principles⁵ for developing the updated plan were approved by the BOS in 2001, and reflect the substance of the Statement of Goals. There is no indication of priorities among these principles, which are quite wide-ranging.

Strategic Plan: A Blueprint for Excellence in Public Service

The BOS approved the Strategic Plan in the fall of 2001. The Plan focuses on the operations of County government, and contains a mission statement, a statement of goals, and a set of strategies for achieving these goals. It was prepared without input from the public, and does not address broader community goals. The mission statement

⁴ The General Plan is a county's basic planning document. It provides the blueprint for development throughout the community and is the vehicle through which competing interests and needs of the citizenry are balanced and meshed. The plan addresses all aspects of development including: housing, traffic, open space, safety, land uses and public facilities.

⁵ See Appendix A.

is, however, the closest the BOS comes to indicating its aspirations for the County. The relevant provision reads as follows:

“The mission of the County of Marin is to provide excellent services that support *healthy, safe, and sustainable communities, preserve Marin’s unique environmental heritage; and encourage meaningful participation in the governance of the County by all*” (italics added).

The Plan also articulates five Goals⁶ for improving County government: the second is the only one that further elaborates on the County government’s aims for the County:

“Goal II: Create a Sustainable Future

To promote a sustainable future for Marin County, benefiting present and future generations by encouraging *balanced communities where residents have opportunities to enjoy a high quality of life with adequate and diverse employment, housing, transportation services; cultural, recreational, safety and health services; and a beautiful and clean environment*” (italics added).

While these statements offer some insight into the Board’s thinking about where the County should be headed, they are highly general, have not been linked to concrete programs and projects, and have not been widely circulated to the general public.

Budget Documents

The only other basic information available on the County government’s plans for the County are the annual budget documents: the Proposed Budget, prepared by the CAO’s office and usually released to the public in June, and the Final Budget, released in late August after the budget has been approved by the BOS.

The CAO’s transmittal letter to the BOS covering the Proposed Budget briefly touches on factors affecting the budget, such as the level of the year-end fund balance, outlook for the economy and State budget (one brief paragraph each), and recommended increases in existing programs and projects. While the letter indicates that the increases -- referred to as budget change proposals -- are linked to the Board’s mission and goals statements, neither statement is provided in the document, and the linkages are not made explicit. It is therefore difficult for the reader to determine whether the Proposed Budget does, in fact, achieve the linkages claimed for it.

Another section of the transmittal letter contains a list of “other high priority projects and programs” which seems to be a mix of projects/programs previously approved by the

⁶ They are: I. Provide Excellent Public Service; II. Create a Sustainable Future; III. Promote Service Excellence; VI. Encourage Community Collaboration and Partnering; V. Promote Innovative Management and Employee Development.

BOS, responses to federal and State mandates, and other initiatives with vague policy justifications.

The BOS section of the Proposed Budget also contains a list of major goals and objectives for the coming fiscal year (in this case 2001/2002). This list is made up of project/program and administrative/management elements with no clear sense of priorities or linkages to an overall plan for the County. In keeping with the CAO's current duties, the goals and objectives spelled out in the CAO section are limited to administrative/management elements.

The Proposed Budget has a section devoted to the recommendations of appointive boards, committees and commissions regarding short and long term program priorities. These recommendations are submitted to the CAO in January, the beginning of the budget process. Apart from being published in the Proposed Budget with brief comments from each relevant department, there is no information about the impact of these recommendations on the Proposed Budget or even if the BOS reviewed them.

Project/Program Implementation and Accountability

In one crucial respect the role of the CAO in Marin stands in sharp contrast to the CAOs in the other counties reviewed by the Grand Jury: the Marin CAO has no supervisory authority over appointed department heads. Instead, these officials, in addition to being hired and fired by the BOS, report directly to the BOS collectively and (in the case of major departments) to each supervisor individually, in some cases on a weekly basis. While the supervisors of many other counties retain the ultimate hiring and firing authority, they all delegate direct supervisory responsibilities to the CAO, including annual performance evaluations. Since the CAO here is not granted this power, he/she cannot be held accountable for project/program performance and outcomes, favorable or unfavorable.

Since the CAO is held accountable for both budget preparation and control (after it is adopted), the natural tendency for the CAO is to focus on adherence to the budget rather than insuring project/program success. In some cases, a reasonable degree of budgetary flexibility might make a significant difference to program outcomes, and a CAO accountable for achieving those outcomes might exercise greater latitude regarding the budget. (See Bio-terrorism Preparedness report as an illustration of this effect on program management.) Also, the CAO is not expected to monitor the progress of projects/programs on behalf of the Board *unless specifically asked to do so*.

When asked by the Grand Jury why Marin maintained this historic arrangement, senior County government officials expressed two concerns. First, most officials thought the CAO could exercise an excessive degree of power if he/she were delegated direct supervisory authority over appointed department heads. The fact that the BOS would clearly retain its oversight function to protect against any potential abuses was not considered an adequate safeguard.

Second, certain officials (including one Supervisor) argued that Board supervision insured better responsiveness to the public because elected officials, rather than an appointed official, directly supervise appointed department heads. This advantage was viewed as offsetting any potential improvements in accountability by having the CAO in charge of overall County administration.

Several interviewees did acknowledge, however, the difficulties facing any group trying to manage a complex set of programs entailing expenditures in excess of \$300 million per annum and a staff of over 2000. They also agreed that the lack of clear accountability under current arrangements was a significant and growing problem.

Outreach to the Public

In the Mission Statement contained in the Strategic Plan, the BOS notes the importance of encouraging meaningful public participation in the governance of the County. Currently, the public makes its views known by communicating directly with Supervisors, attending Board meetings, and applying for and, if successful, serving on, boards and commissions. The County also maintains a web site which contains a variety of information about the County government, including the budget and County code. (Other County documents are noted above in the Methodology section.)

In spite of the BOS's commitment to engage the public, the Marin County government outreach program does not compare favorably with those of other counties, which the Grand Jury surveyed. For example, there are no easily accessible statements or user-friendly publications on the County's overall policies and program/project priorities. While the Proposed Budget contains detailed information on the County's budget, this material is not presented in a format that is easy to grasp. Nor are there any multi-year projections of the budget and the local economy to provide some indication of expected trends and developments.⁷

In addition to well-designed publications, other counties employ a variety of approaches to engage the public. Examples include an annual State of the County report,⁸ surveys of the public on the importance of various programs,⁹ and community meetings on specific issues.¹⁰

An Opportunity for Leadership

The Grand Jury believes that this is a particularly propitious time for the BOS to launch a major review of how well County government is meeting the expectations of the public. First, as the recently approved Strategic Plan moves into the implementation

⁷ Monterey, Santa Barbara and Solano counties, among others, include such projections.

⁸ Tulare

⁹ San Luis Obispo

¹⁰ Solano

phase, the Supervisors can now turn to clarifying their vision of larger community-oriented goals for our County. As noted in the Prologue to the Strategic Plan, Marin's quality of life faces serious challenges which go beyond the traditional concerns of the environment and personal health and safety. Such an exercise will help ensure that there is a strong connection between what the public wants done and the effectiveness of County government in meeting those expectations.

Second, work on updating the Countywide Plan will intensify as the 2004 deadline approaches. While the Countywide Plan is not designed to address all of the major policy issues facing the County, the Supervisors have an opportunity to maximize the contribution this process can make to articulating a comprehensive, integrated vision for the County, complete with broad guidance on key priorities to achieve this vision.

Finally, Marin could draw on the experience of other counties as it plans for the future. The Grand Jury is impressed with the "best practices" of other counties in carrying out their planning, budgeting, program management and public outreach functions; a systematic review of this rich body of experience would provide useful information relevant to enhancing the governance of our County.

FINDINGS

Planning and Budgeting

1. Because of the time required to meet their executive/management responsibilities, it must be difficult for the Board of Supervisors to allocate sufficient time to its legislative/policy leadership role. This could explain why the Board has not articulated clear statements of a vision for the County, of medium- and long-term policy goals, and of program priorities linked to those goals.
2. The Countywide Plan does not appear to be linked in any way to the annual budget process.
3. The Strategic Plan, while a major step forward in making County government more effective and accountable, does not provide a vision for the County as a whole.
4. There is not enough information available to the public concerning the Board of Supervisors' specific program priorities for developing the annual budget. Budget documents also lack any discussion of the outlook for County's economy or likely revenue levels over a three- to five-year time frame. Consequently, it is difficult for the public to make a meaningful contribution to the budget process.

Program Implementation and Accountability

5. Direct supervision by the Board of appointed department heads is a questionable use of the time of both parties and, as illustrated by the problems discussed in the

Acute Psychiatric Care report, has not insured that agreed upon program outcomes are being achieved within reasonable time frames.

6. The County Administrative Officer is not generally held accountable for program outcomes, even though he/she is responsible for monitoring budget implementation and is in the best position to track the progress of large (and small) projects and programs. This may be contributing factor to sub-par performance in achieving some long-standing program goals.¹¹
7. Under current managerial arrangements, it is difficult to establish clear lines of authority and accountability.

Availability of Alternative Models/Approaches

8. Many counties with characteristics similar to Marin have articulated clear statements of county goals and program priorities; have put in place reasonably accountable and transparent management arrangements; and established informative budget processes. Impressive public outreach programs, which encourage public involvement in determining the future directions of these counties, are also widespread. The experiences of these counties offer valuable information and insights regarding what works and what does not work in county governance.

RECOMMENDATIONS

1. The Board of Supervisors should appoint a “Blue Ribbon” Committee, made up primarily of members of the public, to survey how selected counties:
 - a. allocate responsibilities to the Board of Supervisors and the County Administrative Officer;
 - b. develop plans and budgets;
 - c. assign accountability for program outcomes; and
 - d. conduct public outreach.

This “Blue Ribbon” Committee should be charged to develop a set of options in each of these areas for Board consideration within one year from the date of their appointment.

2. The Board of Supervisors should designate appropriate County government staff to coordinate with, and provide support for, the “Blue Ribbon” Committee.

¹¹ See Emergency Management and Operations report.

3. The Board of Supervisors should complete their review of the work of the “Blue Ribbon” Committee, including opportunities for public comment, and implement any changes resulting from their review by the fall of 2004.

REQUEST FOR RESPONSES

Pursuant to California Penal Code Section 93305, the Grand Jury respectfully requests the Board of Supervisors to respond to all Findings and Recommendations.

The Grand Jury also invites a response from The League of Women Voters to all Findings and Recommendations.

APPENDIX A

Marin Countywide Plan Update 2001 Interim Guiding Principles

Preamble

Meeting the needs of the present without compromising the future is the overarching theme of the Marin Countywide Plan. Marin County government is committed to lead by example, support public participation, and work in community partnerships to improve quality of life and use key indicators to measure progress. To design a sustainable future, we will:

Guiding Principles

1. Link equity, economy, and the environment locally, regionally and globally.

We will improve the vitality of our community, economy, and environment. We will seek innovations that provide multiple benefits to Marin County.

Examples of Community Indicators: Social, economic and environmental indicators listed below: GPI (Genuine Progress Indicator: Comprehensive, aggregate measure of general well being and sustainability including economic, social and ecological costs).

2. Use finite and renewable resources efficiently and effectively.

We will reduce consumption and reuse and recycle resources. We will reduce waste by optimizing the full life cycle of products and processes.

Examples of Community Indicators: Per capita waste produced and recycled; per capita use of energy, natural gas, and water; ecological footprint (measures per capita consumption of natural resources).

3. Reduce the release of hazardous materials.

We will make continual progress toward eliminating the release of substances that cause damage to living systems. We will strive to prevent environmentally-caused diseases.

Examples of Community Indicators: Water and air quality; measurements of toxic levels; childhood cancer rates.

4. Steward our natural and agricultural assets.

We will continue to protect open space and wilderness, and enhance habitats and biodiversity. We will protect and support agricultural lands and activities and provide markets for fresh, locally grown food.

Examples of Community Indicators: Acres of wilderness; acres of protected land; level of fish populations; track special status plants and animals; quantity of topsoil; active farmland by crop; productivity of acreage and crop value of agricultural land; acres of organic farmland.

5. Provide efficient and effective transportation.

We will expand our public transportation systems to better connect jobs, housing schools, shopping and recreational facilities. We will provide affordable and convenient transportation alternatives that reduce our dependence on single occupancy vehicles, conserve resources, improve air quality and reduce traffic congestion.

Example of Community Indicators: Vehicle miles traveled; bus and ferry ridership and fares; person miles traveled; community walkability; miles and use of bike paths.

6. Supply housing affordable to the full range of our workforce and community.

We will provide and maintain well designed, energy efficient, diverse housing close to job centers, shopping and transportation links. We will pursue innovative opportunities to finance workforce housing, promote infill development and reuse and redevelop underutilized sites.

Examples of Community Indicators: Jobs-housing balance; Housing affordability; Number of new housing units within walking distance to jobs or transit.

7. Foster businesses that provide a balance of economic, environmental and social benefits.

We will retain, expand and attract a diversity of businesses that meet the needs of our residents and strengthen our economic base. We will partner with local employers to address transportation and housing needs.

Examples of Community Indicators: Taxable sales; retention and attraction of targeted businesses; job growth; unemployment rate; number of businesses with environmental management systems; hospitality revenues.

8. Educate and prepare our workforce and residents.

We will make high quality education, workforce preparation and lifelong learning opportunities available to all sectors of our community. We will help all children succeed

in schools, participate in civic affairs, acquire and retain well-paying jobs, and achieve economic independence.

Examples of Community Indicators: Education level of Marin residents; per-pupil expenditures; percentage of eligible voters who voted; high school dropout rate; percent of high school graduates going to college or post secondary training.

9. Cultivate ethnic, cultural and socio-economic diversity.

We will honor our past, celebrate our cultural diversity, and respect human dignity. We will build vibrant communities, enact programs to maintain, share and appreciate our cultural differences and similarities.

Examples of Community Indicators: Racial diversity; diversity of community and corporate leadership; number of hate crimes; number and use of cultural resources such as museums and theaters.

10. Support public health, safety, and social justice.

We will live in healthy, safe communities and provide equal access to amenities and services. We will particularly protect and nurture our children, our elders, and the more vulnerable members of our community.

Examples of community Indicators: Income statistics; health statistics; percent of uninsured (medical) population; longevity after retirement; volunteerism; crime rate; percent of philanthropic contributions.